

PINEHURST SCHOOL INCORPORATED

CONSTITUTION

UNDER THE INCORPORATED SOCIETIES ACT 1908

CONSTITUTION OF

PINEHURST SCHOOL INCORPORATED

1. DEFINITIONS

1.1 In this Constitution:

- (a) "Assets" includes property of any kind whether tangible or intangible.
- (b) "Constitution" means these rules of the Society, as altered from time to time in accordance with clause 18.
- (c) "Day" means a calendar day.
- (d) "Eligible Person" means a natural person eligible to become a Member under clause 6.1
- (e) "Major Decision" means:
 - (i) Any amendment to Schedule 1; or
 - (ii) the acquisition of, or an agreement to acquire, whether contingent or not, Assets the value of which is more than 5% of the value of the Society's Assets before the acquisition; or
 - (iii) the disposal of, or an agreement to dispose, whether contingent or not, Assets the value of which is more than 5% of the value of the Society's Assets before the disposition; or
 - (iv) a transaction that has or is likely to have the effect of the Society acquiring rights or interests or incurring obligations or liabilities, including contingent liabilities, the value of which is more than 5% of the value of the Society's Assets before the transaction.
 - (v) any decision or change, which 2 or more Members of the Board consider, if implemented, would represent a fundamental change to the direction of the School
- (f) "the School" means the school or schools established and run by the Society.
- (g) "Special Vote" means a vote passed by 75% or more of the Members who are present at a Society Meeting being Members who represent no less than 50% of the entire registered Membership.
- (h) "the Society" means Pinehurst School Incorporated (CC35165).
- (i) "Society Meeting" means any Annual General Meeting, or any Special General Meeting, but not a Board Meeting.
- (j) "Trust" means The Pinehurst School Trust (CC43872) established by Trust Deed dated 15 February 1996.

(k) "Use Assets" means to use, handle, lease, licence, invest, sell, transfer, mortgage or grant a security interest over, give, apply, expend, dispose of, or in any other way deal with Assets, or any interest in them.

(l) "Written Notice" means communication by post, by electronic means including email, or advertisement in School periodicals, or a combination of these methods.

1.2 Miscellaneous matters: It is assumed that:

(a) Where a masculine is used, the feminine is included

(b) Where the singular is used, plural forms of the noun are also inferred

(c) Headings are a matter of reference and not a part of this Constitution.

2. NAME

2.1 The name of the Society is Pinehurst School Incorporated.

3. REGISTERED OFFICE

3.1 The Registered Office of the Society is an address specified by the Board from time to time and notified on the School website.

4. PURPOSES AND OBJECTIVES OF THE SOCIETY

4.1 The purposes and objectives of the Society are to establish and run an independent co-educational school, based on the Guiding Principles set out in Schedule 1, to:

(a) provide students an education of the highest standard whether as pre-school education, primary education, intermediate education and/or secondary education on terms approved by the Board;

(b) afford to Students opportunities for balanced academic, social, cultural, physical and moral development;

(c) employ and contract people for the purposes of the Society;

(d) cultivate and maintain reciprocal relationships with kindred bodies or institutions throughout New Zealand and/or in other countries;

(e) consult/liaise with, as necessary, all tiers of Government, statutory authorities and other organisations in matters relevant to independent schools and/or the wider interests of education in New Zealand; and

(f) Use Assets to further the above purposes and objectives of the Society.

5. LIMITATION ON PURPOSES AND OBJECTS

5.1 The Society will not engage in any activity which is not charitable, within the meaning of the Charities Act 2002 and any amendments for the time being or of any re-enactment.

6. SOCIETY MEMBERSHIP

6.1 Any of the following natural persons, having attained the age of 18, are eligible to be Members of the Society:

- (a) Parents, Grandparents, Caregivers, Guardians of Students and Alumni;
- (b) Fee payers of Students and Alumni;
- (c) Past and Present Staff;
- (d) Alumni;
- (e) Honorary Members, Patrons and Vice- patrons;
- (f) Past Board Members;
- (g) Spouses of any of the above; and
- (h) Any other person that the Board considers, in its sole discretion, is interested in promoting the purposes and objectives of the Society.

(in this Constitution, referred to as “Eligible Persons”).

6.2 Any Eligible Person can become a Member of the Society by completing the prescribed form and lodging this together with any annual Membership subscription at the registered office of the Society prior to the commencement of the Annual General Meeting.

6.3 The Board has the power to refuse any application, without providing grounds, provided that this power shall be reasonably applied. The Board may ask for such details as it reasonably requires to assist it in that decision.

6.4 Membership shall be renewable annually, by payment of the annual Membership subscription, and shall expire each year immediately prior to the commencement of the Annual General Meeting unless so renewed.

6.5 The annual Membership subscription for the following year will be determined by the Board.

6.6 The Secretary shall keep a register (“the Register”), which shall contain the names, the postal and email addresses and telephone numbers of all Members and previous Members, and the dates at which they became Members or ceased to be Members.

6.7 If a Member’s contact details change, that Member shall give the new details to the Secretary.

6.8 All Members are bound by this Constitution, shall promote the purposes of the Society and will do nothing to bring the Society into disrepute.

6.9 Membership is terminated by:

- (a) Death;

- (b) Notice: Any Member may at any time resign by giving at least one month's Written Notice to the Secretary. The resigning Member will remain liable for payment of all subscriptions due and unpaid at the date of the Member's resigning.
- (c) Decision of the Board. The Board is entitled to suspend or expel a Member if it considers that the Member concerned has violated this Constitution in such a way that continuation of Membership is undesirable or if the conduct of the Member is in the opinion of the Board derogatory to the character or prejudicial to the interests of the Society. Notice of termination of Membership must be given in writing to the person suspended or expelled.

7. HONORARY MEMBERS

- 7.1 The Board may appoint and remove Honorary Members, Patrons and Vice- patrons on terms that it deems fit.
- 7.2 Honorary Members, Patrons and Vice-patrons will not be required to pay an annual subscription to the Society.

8. BOARD OF GOVERNORS

- 8.1 The affairs of the Society will be governed by a Board comprising 8 elected Members.
- 8.2 The Executive Principal will, in addition to the 8 elected Members of the Board, be an *Ex Officio* Member of the Board whose powers to vote will be determined by the Board.
- 8.3 Only Members of the Society, who are not employees of the School, are eligible to be elected to the Board.
- 8.4 Nominations for Board Members shall be called for no less than 28 Days before and must be received by the Secretary no later than 21 Days before the Annual General Meeting.
- 8.5 Election of Board Members will be by ballot. Ballot papers together with a short résumé of each Board nomination will be distributed to all Eligible Persons for whom the Society has contact details, no later than 14 Days before the Annual General Meeting. Only votes from eligible members whose membership has been accepted by the close of voting will be valid.
- 8.6 The close-off time for receipt of ballot papers at the Registered Office of the Society or at such other address as may be specified on the ballot paper will be the time when the Chairperson closes the voting, at the Annual General Meeting.
- 8.7 The Board at its first meeting after the Annual General Meeting, subject to the provisions of 8.8, must elect from its Members the following officers, to hold office until the next Annual General Meeting:
 - (a) Chairperson
 - (b) Vice-chairperson
 - (c) Secretary

(d) Treasurer.

8.8 The person who was Chairperson prior to the Annual General Meeting, if he or she remains a Board Member, and is willing, will remain as Chairperson unless otherwise resolved by the Board at its first meeting after the Annual General Meeting.

8.9 If the Board is unable to elect a Chairperson within 14 Days after its first meeting after the date of the Annual General Meeting, this will be referred back to a Society Meeting for determination.

8.10 Retirement of Board Members:

At every Annual General Meeting two Board Members shall retire from office, but the number who must retire shall be adjusted as follows:

(a) Each Board Member appointed under clause 8.14 shall be counted as one of the mandatory retirees under this clause 8.10; and

(b) Where there is already a vacancy on the Board (either because a Board Member has resigned or otherwise ceased to hold office since the last Annual General Meeting or because fewer than the maximum number of Board Members were elected at that last Annual General Meeting and, in either case, that vacancy has not been filled), each vacancy shall be deducted from the number of mandatory retirees; and

(c) Where any elected Board Members are required to retire at an Annual General Meeting, the Board Member(s) to retire shall be the persons who have been longest in office since their last election. As between Board Members who became Board Members on the same Day, the person(s) to retire shall (unless they otherwise agree among themselves) be determined by lot.

8.11 Any Board Member who has been in office for 4 years since his or her last election and who is not already required to retire under clause 8.10 shall also retire at the Annual General Meeting

8.12 A retiring Board Member is eligible for re-election to the Board.

8.13 Persons cease to be Board Members when:

(a) They resign by giving Written Notice to the Board.

(b) Their term expires, and they do not stand for re-election.

(c) If any Board Member is absent from three consecutive meetings without apologies the Chairperson may declare that person's position to be vacant.

(d) When they cease to be a Member of the Society.

8.14 If the position of any Board Member becomes vacant between Annual General Meetings, the Board may appoint another Member to fill that vacancy until the next Annual General Meeting.

- 8.15 The continuing Members of the Board may act notwithstanding any vacancy in the Membership of the Board, but if and so long as their number is reduced below the necessary quorum, the continuing Members or Member of the Board may act for the purpose of increasing the number of the Board to the necessary quorum but for no other purpose.
- 8.16 The Board may at any time co-opt a Member of the Society to assist the Board but any Member so co-opted shall not be a Member of the Board or be entitled to vote at any meeting of the Board.
- 8.17 The Board may at any time appoint or remove any person with or without remuneration to be Assistant Secretary or to be Assistant Treasurer with such powers and duties as the Board may determine.
- 8.18 The Board may form sub committees as necessary to assist with administering and controlling the affairs and business of the Society.

9. POWERS AND DUTIES OF THE BOARD

- 9.1 The Board shall administer and control the affairs and business of the Society in accordance with the purpose and objectives of the Society, and may do or authorise anything to be done for the Society which the Society is permitted to do by this Constitution or by law and which is not required to be done at a Society Meeting.
- 9.2 An elected Member of the Board shall not use his or her position on the Board or the assets, the employees, or the name of the Society in any way, to obtain any pecuniary gain.
- 9.3 Decisions of the Board shall be consistent with the Guiding Principles and Financial Parameters as set out in Schedule 1.
- 9.4 Neither the Board nor the Society shall proceed with a Major Decision without first consulting the Trust in the manner set out in Schedule 1.
- 9.5 The Board shall employ the Executive Principal, to undertake the day to day management of the School.
- 9.6 The Board may at any time remove, dismiss or suspend any employee or agent of the School.
- 9.7 The Board shall establish and maintain policies for the effective administration of the School and the Society.

10. BOARD MEETINGS

- 10.1 Board meetings may be held in any format (including by teleconference or other electronic means) and at any time and date that the Board may decide. Subject to this Constitution, the Board may regulate its own practices.
- 10.2 No Board Meeting may be held unless a quorum of 5 elected Board Members is present.
- 10.3 The Chairperson of the Board shall preside at every Board Meeting or if he or she is not present or is unwilling to act the Vice-Chairperson of the Board if present and

willing to act shall preside as Chairperson. Otherwise the meeting shall choose one of the Board Members present to act as Chairperson at the meeting.

- 10.4 Only Board Members (or their alternates appointed under clause 10.5) present at a Board Meeting may vote at that Board Meeting.
- 10.5 An elected Member of the Board may appoint any person (whether a Member of the Society or not) who is approved by the majority of the Board to be his or her alternate at any meeting of the Board at which he or she is not present. Every alternate shall be entitled to notice of Board meetings and to attend and vote as a Board Member when the person, who appointed him or her, is not present. Any appointment of an alternate may, on Written Notice, be revoked at any time by the appointer or, on 14 Days Written Notice to the appointer, by a majority vote of the other Board Members.
- 10.6 There shall be no proxy votes at Board Meetings.
- 10.7 Matters arising at any meeting shall be decided by consensus. Should a Board Member call for a vote on any decision then the decision shall be by a majority of votes. In the case of equality of votes the Chairperson shall have a casting vote except on a vote to appoint a new chairperson.
- 10.8 An elected Member of the Board may at any time summon a meeting of the Board, on 7 Days notice in writing to the other Board Members, setting out the matters to be discussed at the meeting.

11. SOCIETY MEETINGS

- 11.1 Only Members and any other person that the Board wishes to invite, may attend Society Meetings.
- 11.2 No Society Meeting may be held unless a quorum of 20 Members is present.
- 11.3 No Society Meeting may be held during School Holidays or within 1 working Day of any School or Auckland Public Holiday.
- 11.4 The Chairperson of the Board shall preside at every Society Meeting or if he or she is not present or is unwilling to act the Vice-Chairperson of the Board if present and willing to act shall preside as Chairperson. Otherwise the meeting shall choose one of the Board Members present to act as Chairperson at the meeting.
- 11.5 The Chairperson may adjourn the meeting as necessary, to a time specified by the Chairperson between one and three weeks from the date of that adjourned meeting.
- 11.6 On any given motion at a Society Meeting, the Chairperson must in good faith determine whether to vote by:
 - (a) Voices;
 - (b) Show of hands; or
 - (c) Secret ballot.
- 11.7 However, if any Member demands a secret ballot, voting must be by secret ballot.

- 11.8 Every Member present at a meeting shall have one vote.
- 11.9 There shall be no proxy votes at Society Meetings, but the Board may call for postal votes at its discretion.
- 11.10 Any person chairing a Society Meeting has a casting vote.
- 11.11 The Board will appoint independent scrutineers, to count votes at Society Meetings.
- 11.12 Unless specified otherwise in this Constitution, a motion is passed at a Society Meeting by a simple majority of votes.
- 11.13 All decisions passed at any Society Meeting held in conformity with this Constitution shall be binding upon all Members of the Society.
- 11.14 If the Secretary has sent a notice to all Members in good faith, the Meeting and its business will not be invalidated simply because one or more Members do not receive the notice.

12. MOTIONS AT SOCIETY MEETINGS

- 12.1 Any motion that is signed by at least 15 Members and is not in the opinion of the Board defamatory or vexatious ("Members' Motion"), which is given in writing to the Secretary at least 21 Days before a Society Meeting, shall be presented to that Society Meeting. The Members may also provide information in support of the motion ("Members' Information"), provided that this information shall fill no more than 2 A4 pages.
- 12.2 The Members' Notice and Members' Information shall be sent to all Members at least 14 Days before the Society Meeting.
- 12.3 The Board may also put forward motions for the Society to vote on ("Board Motions") which must be notified not less than 14 Days before a Society Meeting.

13. ANNUAL GENERAL MEETINGS

- 13.1 The Annual General Meeting of the Society shall be held no later than the last Day of the month of March each year at a time and place determined by the Board for the purposes of:
- (a) receiving any minutes of previous Society Meeting(s);
 - (b) receiving the Chairperson's report on the business of the Society;
 - (c) receiving a report on Major Decisions (including those considered by the Trust but not progressed further);
 - (d) receiving the Executive Principal's report;
 - (e) receiving the Annual Financial Statements;
 - (f) receiving a report of the Pinehurst School Trust;
 - (g) appointing an Auditor for the ensuing year;

(h) Election of Board Members.

13.2 The Secretary shall:

- (a) Provide Written Notice, to all Eligible Persons for whom the School has contact details, of the business to be conducted at any Annual General Meeting, at least 28 Days prior to the meeting;
- (b) At least 14 Days prior to the meeting, post on the School website (and notify Eligible Persons of the availability of):
 - (i) All reports under 13.1 above, if available at the time (and if not, those reports will be made available at the Annual General Meeting);
 - (ii) A list of Nominees and persons standing for re-election to the Board (if any), and any election statements and biographical those persons have provided.
 - (iii) Notice of any motions under clause 12 and any Board response to those motions.

14. SPECIAL GENERAL MEETINGS

14.1 On not less than 28 Days written Notice to all Members, Special General Meetings:

- (a) may be called by the Board; or
- (b) shall be called by the Board, if it receives a written request signed by at least 15 Members of the Society.

14.2 If the Board does not, within 14 Days from the date of the request given in clause 14.1(b), duly convene a Special General Meeting to be held within 42 Days of that request, the requesting Members may themselves convene a Special General Meeting but any meeting so convened shall not be held later than 3 months from the date that the request was delivered to the Board.

14.3 A Special General meeting convened by the requesting Members under clause 14.2 shall be convened and held in the same manner or as nearly as possible as a Society Meeting convened by the Board. Any reasonable expenses incurred by reason of the failure of the Board duly to convene a Special General Meeting shall be repaid by the Society.

14.4 No business shall be transacted at a Special General Meeting other than that specified in the notice convening such meeting.

15. USE OF MONEY AND OTHER ASSETS

15.1 All money received by or on behalf of the Society shall be paid to the credit of the Society in a cheque or savings account at a bank to be determined by the Board, the choice of bank and any change being formally recorded at a Board meeting.

15.2 Delegated financial authorities may be determined by the Board and shall be formally recorded at a Board meeting.

- 15.3 The Society may, subject to Schedule 1, from time to time invest and reinvest in such securities on such terms as the Board shall think fit the whole or part of its funds which shall not be required for the immediate business of the Society.
- 15.4 The Society shall, subject to Schedule 1, in addition to the other powers vested in it have a power to borrow or raise money from time to time by the issue of debentures, bonds, mortgages or any other security founded or based on all or any of the Assets and/or rights of the Society or without any such security, on such terms as to priority and otherwise as the Board shall think fit.

16. FINANCIAL YEAR

- 16.1 The financial year of the Society begins on 1 January of every year and ends on 31 December of that year.

17. AUDIT OF FINANCIAL STATEMENTS

- 17.1 The Society shall agree on the appointment of an Auditor at each Annual General Meeting to audit the annual financial statements of the Society.
- 17.2 The Auditor shall report on whether the financial statements are prepared in all material respects in accordance with the Society's accounting policies.
- 17.3 The Auditor must be a suitably qualified person and meet the requirements of the New Zealand Institute of Chartered Accountants for the provision of auditing services, and must not be a Member of the Board, or an employee of the Society.
- 17.4 If the Society appoints an Auditor who is unable to act for some reason, the Board will appoint another Auditor as a replacement.
- 17.5 The Board is responsible to provide the Auditor with:
- (a) Access to all information of which the Board is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
 - (b) Additional information that the auditor may request from the Board for the purpose of the audit; and
 - (c) Reasonable access to persons within the Society from whom the Auditor determines it necessary to obtain evidence.

18. ALTERATION OF CONSTITUTION

- 18.1 No new provisions shall be added, or alteration or suspension of any existing provisions of this Constitution made, without approval by Special Vote at a Society Meeting.
- 18.2 All such changes once approved at a Society Meeting shall be lodged with the Charities Commission and the Registrar of Incorporated Societies. No Constitution change shall take effect until the changes have been accepted for registration by the Charities Commission and the Registrar of Incorporated Societies.

19. VOLUNTARY WINDING UP

- 19.1 The Society may be wound up voluntarily if at a Society Meeting a resolution is passed by a Special Vote to that effect and such resolution is confirmed by a Special Vote at a subsequent Society Meeting called for that purpose not earlier than 30 Days and not later than 60 Days after the date on which the resolution to be confirmed was passed.
- 19.2 If the Society is wound up:
- (a) The Society's debts, costs and liabilities shall be paid;
 - (b) Any surplus Assets shall be donated to a charitable institution or institutions as resolved at a final meeting of the Society, or as a Judge of the High Court shall direct.
 - (c) No distribution may be made to any Member.

20. INTERPRETATION

- 20.1 If any doubt shall arise as to the construction or interpretation of any provision of this Constitution, the decision of the Board will be conclusive and binding on all Members provided however that every such decision shall be put in writing and recorded in the Minute Book of the Board.

SCHEDULE 1

GUIDING PRINCIPLES

These Guiding Principles were created as a “vision and mission statement” for the School and are not definitive in nature.

Pinehurst was founded on and is committed to these principles:

To be a school of academic excellence as judged on a local, regional, national, and international basis.

To be a haven of socially acceptable values.

To develop as an independent secular educational facility, from Year 1 to Year 13, with the aim of having no more than 25 students in any class.

To use the benefits of modern methods to enhance learning and encourage positive attitudes to life-long learning throughout the school community.

To operate the school in a financially prudent and conservative manner to ensure the long term stability of fees and expenses, and to ensure sufficient working capital resources are always available to meet the needs of the school. Pinehurst shall be financially risk averse.

Students

To encourage students to develop a wide range of skills and knowledge, and to strive for individual excellence in Academic subjects, Sports, the Arts and Life skills.

To encourage students to care for themselves, each other, their community, their environment, and to develop self-esteem and self-discipline.

To teach every student as an individual, providing learning programmes that cater for the different needs and abilities within each class.

To ensure that students' progress and performance is rigorously assessed and reported to parents, so that they receive timely, relevant information and recognise the value Pinehurst is adding to the education experience.

Parents

To make our school accessible to as wide a range of families, from varying social economic backgrounds, who believe in and support the principles of Pinehurst.

To encourage and welcome the participation of parents in the education of their children and in the wider school community.

Staff

To attract and retain Staff who believe in and support these principles and who are recognised by their peers, students and their students parents for their skills, passion and excellence in their work.

FINANCIAL PARAMETERS

- (a) The Society may borrow money to fund any new building project or land purchase. It shall not borrow money to meet running costs.
- (b) Any borrowings shall be repaid on a table mortgage basis, in the case of land purchases over a period not exceeding 25 years and in the case of buildings over a period not exceeding 10 years.
- (c) The Board shall be satisfied in entering any new borrowing agreement that having entered the agreement the School would be able to continue to operate effectively based on actual pupil numbers less known withdrawals at the time the borrowing was approved by the Board, and not allowing for any increase in fees. The Board shall also undertake such other financial projection exercises and resilience tests and maintain such other contingency margins as it deems prudent.
- (d) Re-scheduling of existing loans outside the above parameters shall be a Major Decision
- (e) Any parent loans shall be made to the Society via the Trust.
- (f) In terms of Rule 15.3, the Board shall only invest in fixed or floating interest securities, with a credit rating of A- (Standard & Poors, or equivalent) or better

CONSULTATION PROCESS FOR MAJOR DECISIONS

- (a) The Board must provide to The Trust, a detailed submission setting out the reasons for the proposed Major Decision and all information relevant to the making of that decision;
- (b) The Trust must within 20 working Days from receiving a submission, provide to the Board in writing a decision on whether the Trust agrees with the Major Decision or not;
- (c) If the Trust agrees with the Major Decision, to be made by the Board, the Board may proceed with the execution of the Major Decision;
- (d) If the Trust does not agree with the Major Decision, it must provide to the Board, in writing, full reasons for its decision;
- (e) If a Major Decision is not agreed upon by the Trust, and the Board wishes to proceed with the execution of the Major Decision, it may only do so with the approval of a Special Vote. The Board must provide notice to the Members of a Special General Meeting to be held in accordance with clause 14 of this Constitution within 20

working Days of receiving the Trust's reason for not agreeing the Major Decision. All the documentation provided by both parties, in relation to the Major Decision, must be presented to the Members for consideration at the Special General Meeting.